



MICHIGAN
CHAMBER
of Commerce

MEMORANDUM

To: Members of the Senate Health Policy Committee

From: Wendy Block, Michigan Chamber

Date: March 1, 2012

Subject: Michigan Chamber Opposes Mandated Health Insurance Benefits (SBs 414-15)

We are writing to voice our opposition to any new mandated health insurance benefits, including mandated coverage for autism spectrum disorders (Senate Bills 414-15). We urge you to continue to look for solutions that don't limit decision-making processes that should be made in the workplace between employers and employees and look for ways to help *all* of Michigan's autistic children, not just those lucky to have private health insurance.

While legislation mandating coverage for autism spectrum disorders is intended to help families dealing with autism, SBs 414 and 415 fail to protect three out of four Michigan families. This is because state insurance mandates cannot help children who lack health insurance, are on Medicaid or in self-insured or state-sponsored health insurance plans. We urge you to consider other, better options that can protect all of Michigan's autistic kids such as:

- Expanding coverage for all children with autism under the existing Children's Special Health Care Services (CSHCS) program under the Michigan Department of Community Health (MDCH).
- Establishing a state-based Autism Reimbursement Arrangement (ARA) program (similar to a Health Reimbursement Arrangement [HRA] program) for children with autism. The ARA could reimburse families of autistic children for services not covered by health insurance and reach all families, not just those with private health insurance.
- Establishing an Autism Scholarship Program, similar to the Ohio Autism Scholarship Program. The Ohio program allows the state to pay a scholarship (use existing state and federal education dollars) to the parents of a qualified child with autism. Through the scholarship, parents have a choice of seeking services for their child with a registered private provider, rather than the child's resident school district to receive the services outlined in the child's individualized education program. Ohio's Program has helped many families that choose to leave their public school system to obtain very specialized services through a registered private provider in accordance with their wishes, alleviating the financial strain associated with receiving these services on their own.

Across the country, employers and individuals were outraged at the passage of the federal health care law and its focus on more government control and top-down mandates. You have the chance to benefit from the lessons learned during the federal health care reform debate and focus on a new model which facilitates more consumer choice and control. Unfortunately, if you are advocating for any new mandated health insurance benefits, you are embracing a system focused on government intervention and restricting the ability of job providers to determine what diseases, medical conditions and other benefits they may or may not want covered.

The business community supports reforms that enable employers to provide cost-effective health care benefits and expand flexibility, competition and choice in the marketplace. Adding new mandated benefit laws to the books does not help us achieve any of these goals. In fact, it does just the opposite by locking employers into plan designs they may not want or need and limiting decision-making processes that should be made in the workplace between employers and employees.

We ask that you oppose any new mandated benefits, including SBs 414-15. Please let me know if you have any questions at 517/371-7678 or wblock@michamber.com.